



DEPARTMENT OF HOMELAND SECURITY

Transportation Security Administration

[Docket No. TSA–2004–19605]

Hazardous Materials Endorsement (HME) Threat Assessment Program and Transportation Worker Identification Credential (TWIC®) Program Fees

AGENCY: Transportation Security Administration, DHS.

ACTION: Notice.

SUMMARY: The Transportation Security Administration (TSA) administers the Hazardous Materials Endorsement (HME) and Transportation Worker Identification Credential (TWIC®) vetting programs. TSA conducts security threat assessments (STAs) of applicants to these programs, and in accordance with statutory requirements, collects fees from the applicants to recover TSA’s costs to conduct the vetting and credentialing. In this Notice, TSA announces changes to the existing fee structure and fees for the HME and TWIC Programs to include initial in-person applications, in-person renewals, comparable STAs, and new online renewal fees. These updates will allow TSA to continue to improve the HME and TWIC enrollment experience, mitigate potential security risks, and ensure that the programs remain fully funded. TSA maintains a current listing of the overall fees for all HME enrollment options at <https://www.tsa.gov/for-industry/hazmat-endorsement> and for all TWIC enrollment options at <https://www.tsa.gov/for-industry/twic>.

DATES: The fee changes in this notice are effective November 3, 2022.

FOR FURTHER INFORMATION CONTACT: Stephanie Hamilton, Transportation Security Administration, 6595 Springfield Center Drive, Springfield, VA 20598-6047; 571-227-2851; or email at TWIC.Issue@tsa.dhs.gov and HME.Question@tsa.dhs.gov.

SUPPLEMENTARY INFORMATION: You can find an electronic copy of rulemaking documents relevant to this action by searching the electronic FDMS web page at <https://www.regulations.gov> or at <https://www.federalregister.gov>. In addition, copies are available by writing or calling the individual in the **FOR FURTHER INFORMATION CONTACT** section.

Abbreviations and Terms Used in This Document

CDL – Commercial Driver’s License

CHRC – Criminal History Records Check

FBI – Federal Bureau of Investigation

FAST – Free and Secure Trade

HME – Hazardous Materials Endorsement

MTSA – Maritime Transportation Security Act

STA – Security Threat Assessment

TWIC - Transportation Worker Identification Credential

UES – Universal Enrollment Services

USCG – U.S. Coast Guard

I. TWIC Program

A. Background

The Maritime Transportation Security Act (MTSA) of 2002 requires the Secretary of the Department of Homeland Security to issue a biometric transportation security card to an individual requiring unescorted access to MTSA-regulated entities after determining that the individual does not pose a security risk.¹ The TWIC Program is administered jointly by TSA and the U.S. Coast Guard (USCG). TSA conducts the STA and issues the credential, and USCG enforces the use of the TWIC at MTSA-regulated facilities and

¹ See Maritime Transportation Security Act of 2002, Pub. L. 107–295, 116 Stat. 2064 (November 25, 2002).

vessels.²

Under TSA's regulations in 49 CFR part 1572, applicants for TWIC pay a fee to cover (1) the costs of performing and adjudicating STAs, appeals, and waivers; (2) the costs of enrolling and transmitting biometric (fingerprints) and biographic applicant information; and (3) the Federal Bureau of Investigation (FBI) fee to process a criminal history records check (CHRC). The STA and physical TWIC card expire five years after the STA is approved by TSA, provided the individual continues to meet the eligibility standards. Individuals who require unescorted access to secure areas of MTSA-regulated entities must re-apply and undergo a new STA when their STA expires to maintain TWIC eligibility.³

In August 2022, TSA implemented a new online renewal capability for certain TWIC applicants who maintain or previously maintained an active TWIC STA.⁴ Approximately 54 percent of active TWIC cardholders enroll for a new TWIC after their STA expires five years from the date of issuance. Online TWIC renewals will reduce the applicant's cost and time burdens by permitting eligible applicants to obtain a new TWIC without enrolling in-person at a TSA enrollment center. Additionally, TSA mitigates certain security risks associated with online renewals by enrolling current TWIC cardholders in recurrent vetting services, such as the FBI's Rap Back Services.

The current application and renewal fee for the TWIC Program is \$125.25. The current reduced application fee for applicants who possess a comparable STA, such as an HME, is \$105.25. The current replacement card fee for lost, stolen, or damaged TWICs is \$60.00.

B. TWIC Fee Changes

² See 46 U.S.C. 70105.

³ See 49 CFR part 1572 for STA standards and TWIC expiration.

⁴ See 30-Day notice, 86 FR 11323 (February 24, 2021), for OMB Control Number 1652-0047 and related Supporting Statement.

TSA is revising the existing fee structure and fees for the TWIC program. Fees are impacted by several factors such as changes in contractual services. TSA uses contract services for enrollment services, vetting and adjudication support, credentialing services, information technology development, technology operations and maintenance, and customer service support. When the pertinent contracts for services are amended or renegotiated, the fees may be affected. Also, cost variations, such as changes in the number of applicants and FBI fee impact the STA fees. TSA reviews vetting fees once every two years.⁵ Upon review, if TSA finds that the fees collected exceed the total cost to provide the services, or do not cover the total cost for services, TSA must adjust the fee.

In August 2022, TSA implemented a new online renewal process for certain TWIC applicants. This new capability permits eligible applicants to renew their TWIC without visiting a TSA enrollment center. With the implementation of this capability, TSA is updating the TWIC fee structure to include two renewal types: 1) in-person renewal at the enrollment center; and 2) online renewal using a desktop or mobile device to complete the enrollment transaction. Most individuals with an active TWIC will be able to renew online. Some individuals may need to visit an enrollment center for renewal for TSA to verify immigration status or update certain biometric or biographic information. Also, individuals eligible for online renewal may choose to visit a center in-person for renewal based on individual needs.

The implementation of TWIC online renewals will result in a fee change for eligible applicants who renew within 12 months of their current STA expiration date. Operational efficiencies with the renewal process, such as limited or no in-person interaction with enrollment agents, will reduce the enrollment and vetting transaction

⁵ See 31 U.S.C. 3512 (the Chief Financial Officers Act of 1990 (Pub. L. 101–576, 104 Stat. 2838, Nov. 15, 1990)).

costs for applicants and TSA. Also, TSA will use the applicant's biometric (fingerprint and photograph) information provided during the applicant's initial enrollment for renewals. With this notice, TSA is announcing that the new fee for an online renewal is \$117.25. The fee for TWIC in-person enrollments and for in-person renewals at a Universal Enrollment Service (UES) enrollment center will remain the same at \$125.25.

TSA also analyzed the costs associated with the use of a comparable STA⁶. TSA is announcing that the revised fee for an eligible reduced-fee enrollment is decreasing from \$105.25 to \$93.00. The TSA fee for a replacement card remains the same at \$60.00. Future changes to TWIC services and fees will be published as a Notice in the Federal Register and on the TSA website at <https://www.tsa.gov/for-industry/twic>.

II. HME Program

A. Background

TSA conducts an STA for any driver seeking to obtain, renew, or transfer an HME on a State issued commercial driver's license (CDL) for the TSA HME Program. Under 49 U.S.C. 5103a, a State is prohibited from issuing or renewing a CDL unless TSA has first determined that the driver does not pose a security threat warranting denial of the HME. Currently, the HME program regulations in 49 CFR part 1572 permit States to collect and transmit the fingerprints and applicant information of drivers who apply to renew or obtain an HME; or to have a TSA agent collect and transmit the fingerprints and applicant information of such drivers.⁷

Applicants for an HME pay a fee to cover (1) the costs of performing and adjudicating STAs, appeals, and waivers; (2) the costs of enrolling and transmitting fingerprints and applicant information; and (3) the FBI fee charged to process a CHRC.⁸ States that choose to collect applicant information and submit it to TSA may charge

⁶ Comparable STAs include HME and FAST

⁷ See 49 CFR 1572.13.

⁸ See 70 FR 2542 (Jan. 13, 2005).

applicants a State fee for that service, and TSA has no authority to establish, determine, or limit the amount of that fee. The HME STA expires five years after the STA is approved by TSA, provided the individual continues to meet the eligibility standards. Individuals who require an HME must re-apply and undergo a new STA when their STA expires to maintain eligibility for the HME.

B. HME Fee Changes

The fees will remain the same for new HME enrollments and renewals. However, TSA is revising the fees that apply when using a comparable STA to obtain an HME. Fees are impacted by several factors, including changes in contractual services. Similar to the TWIC Program, TSA uses contract services for enrollment, vetting, adjudication support, information technology development, technology operations and maintenance, and customer service. When the pertinent contracts for services are amended or renegotiated, the fees may be affected. Also, cost variations, such as changes in the number of applicants, and FBI fee impacts the STA fees.

TSA reviews vetting fees once every two years.⁹ Upon review, if TSA finds that the fees collected exceed the total cost to provide the services or do not cover the total costs for services, TSA must adjust the fee. TSA analyzed the costs associated with the use of a comparable STA for an HME, and found that the fees for these enrollments could be lowered from \$67.00 to \$41.00. The fee for a new and renewal HME enrollment at a UES enrollment center will remain the same at \$86.50.

Future changes to HME services and fees will be published as Notice in the Federal Register and on the TSA website at <https://www.tsa.gov/for-industry/hazmat-endorsement>.

III. Authority to Collect and Methodology to Calculate Fee Changes

⁹ See 31 U.S.C. 3512 (the Chief Financial Officers Act of 1990 (Pub. L. 101–576, 104 Stat. 2838, Nov. 15, 1990)).

Congress directed TSA to collect user fees to cover the costs of its transportation vetting and credentialing programs.¹⁰ TSA must collect fees to pay for conducting all portions of an STA; reviewing and adjudicating requests for correction of records, appeals, and waivers; information technology costs; personnel costs; and any other costs related to conducting the STA, providing a credential, or providing states the driver's eligibility determination.

The statute requires that any fee collected must be available only to pay for the costs incurred in providing services in connection with performing the STA. The funds generated by the fee do not have a limited period of time in which they must be used; as fee revenue and service costs do not always match perfectly for a given period, a program may need to carry over funding from one fiscal year to the next to ensure that sufficient funds are available to continue normal program operations. TSA complies with applicable requirements, such as the Chief Financial Officers Act of 1990¹¹ and Office of Management and Budget Circular A-25,¹² and regularly reviews the fees to ensure they recover, but do not exceed the full cost of services.

TSA established the methodology for calculating the vetting fees for the TWIC and HME programs through notice and comment rulemaking, and stated that any fee changes using that same methodology would be published in a Notice.¹³ TSA uses that same methodology to evaluate the current fees and in establishing new fee amounts.

In 2013, TSA revised the TWIC and HME regulations to remove references to specific fee amounts and provide TSA with flexibility to modify fees, as necessary, to ensure that STA, enrollment, and credentialing fees reflect their associated costs and the programs could continue to operate if the costs exceeded regulatory caps.¹⁴ As a result of

¹⁰ See 6 U.S.C. 469(a).

¹¹ See 31 U.S.C. 501 et seq.

¹² See http://www.whitehouse.gov/omb/circulars_a025.

¹³ See 72 FR 55043 (September 28, 2007), 70 FR 2542 (Jan. 13, 2005).

¹⁴ See Final Rule, *Provisions for Fees Related to Hazardous Materials Endorsements and Transportation Worker Identification Credentials*, 78 FR 45353 (April 16, 2013).

this rulemaking, TSA may change the fees as appropriate and provide Notice in the *Federal Register* to inform affected stakeholders of the revised fees and the basis for the changes.¹⁵

IV. Fee Announcements

The vetting fees for the TWIC and HME programs are set forth below:

Table 1 - Comparison of Current and New TWIC and HME Fees and Enrollment Type

Enrollment Type	TWIC Program Fees		HME Program Fees	
	Current	New	Current	New
<i>New Enrollment</i>	\$125.25	\$125.25	\$86.50	\$86.50
<i>Renewal (In-Person)</i>	\$125.25	\$125.25	\$86.50	\$86.50
<i>Renewal (Online)</i>	N/A	\$117.25	N/A	N/A
<i>Comparable STA</i>	\$105.25	\$93.00	\$67.00	\$41.00
<i>Replacement Card</i>	\$60.00	\$60.00	N/A	N/A

In addition to a notice published in the *Federal Register*, TSA will publish these fees on the TSA website: <https://www.tsa.gov/for-industry/hazmat-endorsement> and <https://www.tsa.gov/for-industry/twic>, as applicable.

Note that applicants may choose the respective program's enrollment option that best meets their needs based on the convenience of enrollment center locations and their eligibility for in-person or online renewal options. Drivers who require an HME in a state that does not use TSA's enrollment agent are subject to fees established by the state, not TSA.

Dated: November 1, 2022.

Austin Gould,

Acting Executive Assistant Administrator,

Operations Support.

¹⁵ See 49 CFR 1572.403(a) (State collection of HME fees), 1572.405(a) (TSA collection of HME fees), and 1572.501(g) (imposition of TWIC fees).

